October 16, 2003

DOUG SCHAFER 1916 70th AVE W #C-3 UNIVERSITY PLACE WA 98466

Subject: Request to Rescind Dismissal of Complaint Filed Against Judge Ronald E. Culpepper, PDC Case No. 04-276

Dear Mr. Schafer:

In your letter dated October 15, 2003, you asked that I rescind my dismissal of your complaint alleging that Pierce County Superior Court Judge Ronald E. Culpepper violated RCW 42.17.080 and 42.17.090 by failing to report expenditures incurred or inkind contributions received for the cost of filing a lawsuit on or around August 15, 2003 challenging your placement on the ballot (RCW 29.15) in your race for Pierce County Superior Court Judge.

You state that the dismissal was based on the \$1,250 actually paid by Judge Culpepper to lawyer Ronald Thompson, that was reported by the Culpepper campaign, and did not consider the fair market value of the professional legal services that he and other lawyers contributed to, or were bought for less than full consideration by, Judge Culpepper's campaign. You also argue that Philip Sloan made a reportable contribution to Judge Culpepper's campaign.

The Report of Investigation and dismissal letter did not address "what is not a contribution," and its relevance to this case.

RCW 42.17.020(14) states in part:

- (b) "Contribution" does not include:
- (viii) Legal or accounting services rendered to or on behalf of:
- (B) A candidate or an authorized committee if the person paying for the services is the regular employer of the individual rendering the services and if the services are solely for the purpose of ensuring compliance with state election or public disclosure laws.

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WAC 390-17-405 states in part:

- (2) An attorney or accountant may donate his or her professional services to a candidate, a candidate's authorized committee, a political party or a caucus political committee, without making a contribution in accordance with RCW 42.17.020(14)(b)(viii), if the attorney or accountant is:
 - (a) Employed and his or her employer is paying for the services rendered;
 - (b) Self-employed; or
 - (c) Performing services for which no compensation is paid by any person. However, neither RCW 42.17.020 (14)(b)(viii) nor this section authorizes the services of an attorney or an accountant to be provided to a political committee without a contribution ensuing, unless the political committee is a candidate's authorized committee, political party or caucus political committee and the conditions of RCW 42.17.020 (14)(b)(viii) and (a), (b) or (c) of this subsection are satisfied, or unless the political committee pays the fair market value of the services rendered.

Staff found that Judge Culpepper personally paid \$1,250 to retain and employ Ronald E. Thompson, a self employed attorney, to represent him in a lawsuit challenging the placement of your name on the ballot. The Culpepper campaign amended its reports and reported this expenditure, and there is no evidence that Mr. Thompson was paid by anyone else for the services he provided to the Culpepper campaign. Mr. Thompson paid the \$110 court clerk's filing fee and \$151 process server fee out of the fees he received from Judge Culpepper. Philip Sloan was not compensated for any of his activities related to the case.

Any value associated with Mr. Thompson's work beyond the \$1,250 paid by Judge Culpepper or any value associated with Mr. Sloan's activities are not considered contributions pursuant to RCW 42.17.020 (14)(b)(viii) and WAC 390-17-405. For this reason, the investigation and dismissal letter focused on the reporting of the \$1,250 contribution to the campaign.

Although your letter of October 15 offers no facts that warrant re-opening our investigation, it would have been preferable if a fuller explanation of applicable law had been included in the original dismissal letter. If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853 or toll free at 1-877-601-2828.

Sincerely,

Vicki Rippie Executive Director

c: Judge Ronald E. Culpepper Members, Public Disclosure Commission